

**MERCANTILE BANK CORPORATION**  
**MERCANTILE BANK**  
*(Its affiliates and subsidiaries)*

**Supplier Diversity Program Policy**

**Purpose**

The purpose of the Mercantile Bank Supplier Diversity Program is to assist in identifying the best suppliers, support our competitive pledge of excellence, ensure customer satisfaction, increase the Bank's sustainability, and promote diversity, innovation and social responsibility while reflecting, supporting, and creating a positive economic impact in the communities the Bank serves.

**Objectives**

Mercantile Bank ("the Bank"), is committed to utilizing and fairly considering Diverse Suppliers to support the Company's strategic sourcing of goods and services. Diverse Suppliers that seek to do business with the Bank must demonstrate the ability to add value, provide high-quality goods and services that are competitively priced, reliable, and aligned with our commitment to deliver excellent service. The Bank recognizes that its business performance is enhanced through the expertise and creativity of all the Bank's suppliers. Purchases of goods and services shall be made from such Diverse Suppliers to the fullest extent possible, consistent with this policy and the efficient performance of the Bank's operations.

The Bank's Supplier Diversity Objectives include:

- Promote actively seeking out Diverse Suppliers that are able to provide competitive, high-quality goods and services and whose business model is aligned with the Bank's business strategy.
- Ensuring the inclusion of Diverse Suppliers as a part of the Bank's strategic procurement process.
- Communicating the value and process of the Supplier Diversity Program both internally and externally to all stakeholders.

Success will be measured by the Bank's ability to attain and exceed these objectives while enabling the growth of Diverse Suppliers in our communities. We strive to create supplier relationships that allow Diverse Suppliers to continue to develop, while offering quality products at competitive prices.

**Program**

The Bank is committed to building a strong Supplier Diversity Program that consists of internal and external deliverables to help sustain program success for all stakeholders.

The Supplier Diversity Program will include:

- Program Oversight – overseeing the Bank’s Supplier Diversity Program shall be the responsibility of the Chief Risk Officer, with support from the Talent and Culture Officer, the Vendor Management Department, and the Corporate Sustainability Committee.
- Objective Measurements — establishing and meeting company and departmental goals and objectives that support the Bank’s overall diversity strategy.
- Tracking and Reporting — monitoring and reporting the Bank’s progress toward achieving its supplier diversity goals and objectives with a strong emphasis on continuous improvement.
- Training and Education — helping to ensure that associates in decision-making positions throughout our organization understand the Bank’s Supplier Diversity Principles and commitment.
- External Outreach Activities — seeking Diverse Suppliers through active involvement with small business and minority development organizations.
- Supplier Development – increasing Diverse Supplier capacity and the Bank’s innovation, sustainability, and competitiveness within the marketplace.
- Communications — educating employees, management, Diverse Suppliers, and the community-at-large on the Bank’s Supplier Diversity Program and policies.

### **Supplier Diversity Parameters**

A “Diverse Supplier” is defined as a company that is at least 51 percent owned, managed and controlled by one or more people who are part of the following group(s):

- Minority-owned
- Woman-owned
- LGBTQ+-owned
- Veteran-owned (including disabled veteran-owned)
- Disability-owned

To better ensure consideration during the proposal process the Bank encourages Diverse Suppliers to obtain a third-party certification, such as through the National Minority Supplier Development Council or other similar certification body.

The Bank provides a Diverse Supplier submission form for ease of providing supplier certification, identification, application, communication and management. It may be found on the Company’s website at: <https://www.mercbank.com/resources/about-us/supplier-application>

The following documents are requested on the application to the Bank’s Supplier Diversity Program:

- NMSDC (National Minority Supplier Development Council) Certification ID or other similar certification or self-identification form

- Current IRS Form W-9
- Current Certificate of Insurance
- Current Sole Proprietor Waiver (if applicable)

For current suppliers, the Bank has a self-identification form available on its website to participate: <https://www.mercbank.com/about/diversity/supplier-diversity.asp>

From time to time, the Bank may provide educational opportunities about its procurement process, its Supplier Diversity Program and partnerships with diverse supplier councils to maximize the impact of the Supplier Diversity Program. This policy is dynamic and may be changed at the discretion of the Board of Directors of the Bank to align with business changes.